

Substitute for House Concurrent Resolution No. 39.

A concurrent resolution to provide the Board of State Canvassers with proposed language for a statewide ballot proposal concerning a constitutional amendment to raise the state sales tax and state use tax.

Whereas, The tax on retail sales of gasoline and diesel fuel is currently used to fund schools and local governments; and

Whereas, As part of its plan to improve the condition and maintenance of the roads in this state, the Ninety-seventh Legislature voted to move from a tax on the retail sales of gasoline and diesel fuel to a wholesale tax by presenting a constitutional amendment to the people of the state of Michigan that increases the state sales tax and the state use tax by 1 percent for the purpose of providing continued growth in funding for schools and local governments; and

Whereas, The Board of State Canvassers is tasked with adopting ballot language for statewide ballot proposals, including the constitutional amendment to the state sales tax and state use tax proposed by this Legislature; now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we provide to the Board of State Canvassers the proposed language for a statewide ballot proposal concerning a constitutional amendment to raise the state sales tax and state use tax; and be it further

Resolved, That copies of this resolution be transmitted to the Board of State Canvassers; and be it further

Resolved, That it is the intent of the Legislature that the proposed amendment, House Joint Resolution UU, be submitted to the people of the state with a statement of the purpose of the amendment as follows:

A PROPOSAL TO AMEND THE STATE CONSTITUTION TO ELIMINATE SALES AND USE TAXES ON GASOLINE AND DIESEL FUEL, ALLOW AN INCREASE IN THE SALES TAX RATE, DEDICATE REVENUE FOR SCHOOL AID, AND REVISE ELIGIBLE SCHOOL AID USES.

The proposed constitutional amendment would:

- Eliminate all sales or use taxes on gasoline and diesel fuel used in motor vehicles operated on public roads or highways beginning on October 1, 2015;
- Allow an increase in the sales tax rate from 6 percent to 7 percent;
- Activate other laws dedicating additional revenue for transportation purposes, including repair of roads, streets, and bridges;
- Require state funds for school aid to be used exclusively for financial assistance for public school districts, community colleges, and career and technical education and related scholarships; and
- Dedicate a portion of use tax revenue for school aid purposes.

Should this proposal be adopted?

YES []

NO []